

CHAPTER 183

APPROPRIATIONS — AGRICULTURE AND NATURAL RESOURCES

H.F. 725

AN ACT relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources, providing for fees, and providing an effective date.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

Section 1. **GENERAL DEPARTMENT APPROPRIATION.** There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATIVE DIVISION

a. For salaries, support, maintenance, and miscellaneous purposes, and for the salaries and support of not more than the following full-time equivalent positions:

.....	\$	2,327,448
.....	FTEs	47.33

(1) Of the amount appropriated in this paragraph "a", at least \$87,000 shall be used to support livestock market news reporting, including the support of 1.00 FTE to provide for six part-time staff positions on a contract basis.

(2) Of the amount appropriated and full-time equivalent positions authorized in this paragraph "a", at least \$70,000 and 1.00 FTE shall be allocated to support the state apiarist in administering the provisions of chapter 160.

b. For deposit in the international relations fund created in section 159.21 to carry out the purposes of that fund:

.....	\$	20,151
-------	----	--------

c. For the purpose of performing commercial feed audits:

.....	\$	71,871
-------	----	--------

d. For the purpose of performing fertilizer audits:

.....	\$	71,873
-------	----	--------

2. REGULATORY DIVISION

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	4,446,344
.....	FTEs	124.00

b. For the costs of inspection, sampling, analysis, and other expenses necessary for the administration of chapters 192 and 194:

.....	\$	677,829
-------	----	---------

3. LABORATORY DIVISION

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	891,354
.....	FTEs	84.00

Of the amount appropriated and full-time equivalent positions authorized in this paragraph "a", at least \$80,000 and 4.00 FTEs shall be allocated to support a program relating to the detection, surveillance, and eradication of the gypsy moth. The allocation of moneys shall be made before other moneys appropriated in this paragraph "a" are allocated.

- b. For the operations of the commercial feed programs:

.....	\$	811,240
-------	----	---------
- c. For the operations of the pesticide programs:

.....	\$	996,627
-------	----	---------
- d. For the operations of the fertilizer programs:

.....	\$	537,170
-------	----	---------

4. SOIL CONSERVATION DIVISION

For salaries, support, maintenance, assistance to soil conservation districts, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	6,862,875
.....	FTEs	194.11

a. Of the amount appropriated in this subsection, \$268,376 shall be used to reimburse commissioners of soil and water conservation districts for administrative expenses, including, but not limited to, travel expenses and technical training. Moneys used for the payment of meeting dues by counties shall be matched on a dollar-for-dollar basis by the soil conservation division.

b. Of the amount appropriated in this subsection, \$44,000 shall be used to support inspections for noncoal mining operations.

Sec. 2. FARMERS' MARKET COUPON PROGRAM. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, to be used by the department to continue and expand the farmers' market coupon program by providing federal special supplemental food program recipients with coupons redeemable at farmers' markets, and for not more than the following full-time equivalent positions:

.....	\$	304,680
.....	FTEs	2.00

DIVISION II
DEPARTMENT OF NATURAL RESOURCES
GENERAL APPROPRIATIONS

Sec. 3. GENERAL DEPARTMENT APPROPRIATIONS. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATIVE AND SUPPORT SERVICES

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,052,531
.....	FTEs	118.25

2. PARKS AND PRESERVES DIVISION

For salaries, support, and maintenance of personnel and programs relating to water access development, all state parks as they existed on April 1, 2001, recreation areas, and state preserves, and for related miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	5,983,100
.....	FTEs	195.73

The department shall use moneys collected by the department resulting from that portion of fees designated for the use of state parks and recreation areas and associated facilities or services that were increased by the natural resource commission in 2000 exclusively for the purpose of keeping open all state parks as they existed on April 1, 2001.

3. FORESTS AND PRAIRIES DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,765,460
.....	FTEs	53.71

4. ENERGY AND GEOLOGICAL RESOURCES DIVISION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,704,683
.....	FTEs	59.00

5. ENVIRONMENTAL PROTECTION DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	4,612,753
.....	FTEs	226.50

6. FISH AND WILDLIFE DIVISION

For not more than the following full-time equivalent positions:

.....	FTEs	356.18
-------	------	--------

Of the number of full-time equivalent positions authorized in this subsection, at least 3.00 FTEs shall be dedicated to supporting prairie seed harvest initiatives.

7. WASTE MANAGEMENT ASSISTANCE DIVISION

For not more than the following full-time equivalent positions:

.....	FTEs	53.75
-------	------	-------

Sec. 4. STATE FISH AND GAME PROTECTION FUND — APPROPRIATION TO THE DIVISION OF FISH AND WILDLIFE.

1. a. There is appropriated from the state fish and game protection fund to the division of fish and wildlife of the department of natural resources for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For administrative support, and for salaries, support, maintenance, equipment, and miscellaneous purposes:

.....	\$	26,383,240
-------	----	------------

b. The department may use moneys appropriated in paragraph "a", as is necessary to provide compensation to conservation peace officers employed in a protection occupation who retire, pursuant to section 97B.49B.

2. The department shall not expend more moneys from the fish and game protection fund than provided in this section, unless the expenditure derives from contributions made by a private entity, or a grant or moneys received from the federal government, and is approved by the natural resource commission. The department of natural resources shall promptly notify the legislative fiscal bureau and the chairpersons and ranking members of the joint appropriations subcommittee on agriculture and natural resources concerning the commission's approval.

DIVISION III
RELATED TRANSFERS AND APPROPRIATIONS
DEPARTMENT OF NATURAL RESOURCES

Sec. 5. SNOWMOBILE FEES — TRANSFER FOR ENFORCEMENT PURPOSES. There is transferred on July 1, 2001, from the fees deposited under section 321G.7 to the fish and game protection fund and appropriated to the department of natural resources for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For enforcing snowmobile laws as part of the state snowmobile program administered by the department of natural resources:

.....	\$	100,000
-------	----	---------

Sec. 6. VESSEL FEES — TRANSFER FOR ENFORCEMENT PURPOSES. There is transferred on July 1, 2001, from the fees deposited under section 462A.52 to the fish and game protection fund and appropriated to the natural resource commission for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the administration and enforcement of navigation laws and water safety:
..... \$ 1,400,000

Notwithstanding section 8.33, moneys transferred and appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert to the credit of the fish and game protection fund but shall be credited to the special conservation fund established by section 462A.52 to be used as provided in that section.

DIVISION IV
SPECIAL APPROPRIATIONS
DEPARTMENT OF NATURAL RESOURCES

Sec. 7. MARINE FUEL TAX RECEIPTS — BOATING FACILITIES. There is appropriated from the marine fuel tax receipts deposited in the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of maintaining and developing boating facilities and access to public waters by the parks and preserves division:
..... \$ 411,311

Sec. 8. REVENUE ADMINISTERED BY THE IOWA COMPREHENSIVE UNDERGROUND STORAGE TANK FUND BOARD. There is appropriated from the unassigned revenue fund administered by the Iowa comprehensive underground storage tank fund board, to the department of natural resources for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For administration expenses of the underground storage tank section of the department of natural resources:
..... \$ 75,000

Sec. 9. GROUNDWATER PROTECTION FUND.

1. Notwithstanding section 455E.11, subsection 2, paragraph “b”, subparagraph (3), subparagraph subdivision (a), of the remaining moneys appropriated from the agricultural management account of the groundwater protection fund that would otherwise be used to support the Leopold center for sustainable agriculture at Iowa state university of science and technology, there is appropriated for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amounts to be used for the purposes designated:

**a. To the department of agriculture and land stewardship for salaries, support, maintenance, and miscellaneous purposes of the department’s laboratory division in administering the operations of pesticide programs:*
..... \$ 100,000*

b. To the department of natural resources for salaries, support, maintenance, and miscellaneous purposes of the department’s environmental protection division:
..... \$ 250,000

2. The moneys appropriated in subsection 1*, paragraphs “a” and “b”* shall first be appropriated **to the department of agriculture and land stewardship and then** to the department of natural resources prior to moneys appropriated to support the Leopold center for sustainable agriculture at Iowa state university of science and technology as otherwise provided in section 455E.11, subsection 2, paragraph “b”, subparagraph (3), subparagraph subdivision (a).

* Item veto; see message at end of the Act

**Sec. 10. FORESTRY MANAGEMENT AND ENHANCEMENT FUND. Notwithstanding section 456A.21, there is appropriated from the forestry management and enhancement fund to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purposes designated:*

For purposes of supporting the department's laboratory division in administering a program relating to the detection, surveillance, and eradication of the gypsy moth:
 \$ 40,000*

Sec. 11. STORMWATER DISCHARGE PERMIT FEES. Notwithstanding any provision of state law, there is appropriated from moneys collected in fees required to be paid to the department of natural resources for issuing stormwater discharge permits pursuant to section 455B.103¹ that are unobligated and unencumbered on June 30, 2001, to the department for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amounts, or so much thereof as are necessary, to be used for the purposes designated:

1. For salaries, support, maintenance, and miscellaneous purposes of the department's energy and geological resources division:
 \$ 250,000

2. For salaries, support, maintenance, and miscellaneous purposes of the department's environmental protection division:
 \$ 200,000

Sec. 12. HAZARDOUS SUBSTANCE REMEDIAL FUND. Notwithstanding any provision of state law, there is appropriated from the hazardous substance remedial fund as created in section 455B.423 to the department of natural resources for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For payment of the department's workers' compensation insurance premium:
 \$ 73,606

Sec. 13. FLOODPLAIN PERMIT BACKLOG. Notwithstanding any provision of state law, for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the department of natural resources may use additional funds available to the department from stormwater discharge permit fees for the staffing of the following additional full-time staff members to reduce the department's floodplain permit backlog:

..... FTEs 2.00

Sec. 14. IMPLEMENTATION OF THE FEDERAL TOTAL MAXIMUM DAILY LOAD PROGRAM. Notwithstanding any contrary provision of state law, for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the department of natural resources may use additional funds available to the department from stormwater discharge permit fees for the staffing of the following additional full-time equivalent positions for implementation of the federal total maximum daily load program:

..... FTEs 2.00

SPECIAL APPROPRIATIONS
 ANIMAL HEALTH AND INDUSTRY

Sec. 15. HORSE AND DOG RACING. There is appropriated from the moneys available under section 99D.13 to the regulatory division of the department of agriculture and land stewardship for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for the administration of section 99D.22:
 \$ 271,307

* Item veto; see message at end of the Act
¹ Iowa Code section 455B.103A probably intended

Sec. 16. PSEUDORABIES ERADICATION PROGRAM.

1. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For support of the pseudorabies eradication program:

..... \$ 900,700

2. Persons, including organizations interested in swine production in this state and in the promotion of Iowa pork products who contribute support to the program, are encouraged to increase financial support for purposes of ensuring the program's effective continuation.

Sec. 17. SECURITY MEASURES TO CONTROL FOREIGN AGRICULTURAL ANIMAL DISEASES. There is appropriated from the brucellosis and tuberculosis eradication fund created in section 165.18 to the department of agriculture and land stewardship for the fiscal period beginning July 1, 2000, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the implementation of security measures necessary in order to control outbreaks of foreign agricultural animal diseases introduced into this state, such as mad cow disease, foot and mouth disease, and classical swine fever (hog cholera), including for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 200,000

1. The department shall expend moneys appropriated in this section as deemed necessary by the department to support prevention, including by education and training; surveillance and detection, including by monitoring and testing; and emergency response if necessary, including by the issuance of orders restricting the movement of agricultural animals. The department shall do all of the following:

- a. Provide for emergency planning.
- b. Provide training to interested persons, including agricultural producers, veterinarians, and agricultural associations.
- c. Publish and disseminate educational materials to the public and interested persons.

2. The department shall cooperate with other agencies of the state, including the emergency management division of the department of public defense, the department of natural resources, and the department of public safety. The department shall also cooperate with the United States department of agriculture, and interested associations, including associations representing agricultural producers.

3. The department shall apply for moneys appropriated by the federal government in order to support the purposes of this section.

4. The Iowa cattlemen's association, the Iowa pork producers association, the Iowa sheep association, the Iowa poultry association, the Iowa turkey federation, the Iowa dairy products association, the Iowa corn growers association, the Iowa soybean association, the Iowa farm bureau federation, the agribusiness association of Iowa, and associations representing financial institutions in this state shall to every extent possible provide financial or in-kind contributions in order to assist the department in carrying out this section.

5. The department shall not authorize the assessment of a levy as otherwise provided in section 165.18 because of moneys appropriated in this section.

DIVISION V
MISCELLANEOUS

Sec. 18. INTERIM COMMITTEE — WATER QUALITY STUDY. The legislative council is requested to create a water quality interim study committee to study the quality of this state's surface and subsurface waters, including drinking water sources. The interim committee shall consider all major sources of contamination, current effluent and treatment standards, and practices or systems designed to prevent or reduce contamination. The

department of agriculture and land stewardship and the department of natural resources shall cooperate with the interim study committee. If created, the interim study committee, as directed by the legislative council, shall report to the general assembly regarding any recommendations required to improve water quality in this state, including legislative measures to reduce contamination that may pose a risk to human health.

Sec. 19. **ISSUANCE OF PERMITS BY THE DEPARTMENT OF NATURAL RESOURCES.** For the fiscal year beginning July 1, 2001, and ending June 30, 2002, the department of natural resources shall approve, deny, or delay consideration of a permit application required to be submitted to the department based only on requirements relating to the merit of the application or applicant, procedural requirements of the department unrelated to staff availability, and state law including but not limited to section 455B.104.

Sec. 20. Section 169.4,² Code 2001, is amended to read as follows:
169A.4 RECORDING — FEE.

A person desiring to adopt a brand shall forward to the secretary a brand application on forms approved by the secretary and providing for the desired brand, together with a recording fee ~~in an amount established by rule of the secretary pursuant to chapter 17A of twenty-five dollars. The fee amount shall be based upon the administrative costs of maintaining the brand program provided for by this chapter.~~ Upon receipt, the secretary shall file the application and fee, unless the brand is of record of another person or conflicts with or closely resembles the brand of another person. If the secretary determines that such brand is of record or conflicts with or closely resembles the brand of another person, the secretary shall not record it but shall return the facsimile and fee to the forwarding person. However, the secretary shall renew a conflicting brand, if the brand was originally recorded prior to July 1, 1996, and the brand is renewed as provided in section 169A.13. The department may notify each owner of a conflicting brand that the owner may record a nonconflicting brand. The power of examination, approval, acceptance, or rejection shall be vested in the secretary. The secretary shall file all brands offered for record pending the examination provided for in this section. The secretary shall make such examination as promptly as possible. If the brand is accepted, the brand's ownership shall vest in the person recording it from the date of filing.

Sec. 21. Section 169A.13, Code 2001, is amended to read as follows:
169A.13 RENEWAL OF BRAND AND FEE EACH FIFTH YEAR.

Each owner of a brand of record ~~beginning on January 1, 1970, shall pay to the secretary a fee of five dollars and a renewal fee on January 1 of which is recorded pursuant to section 169A.4 shall renew the brand each fifth year after the payment of the five dollar fee, or on January 1 of each fifth year following the original originally recording of a the brand recorded after June 30, 1975 and pay a renewal fee.~~ The amount of the renewal fee ~~required for January 1, 1976, and each year thereafter shall be established by rule of the secretary pursuant to chapter 17A is twenty-five dollars. The amount of the fee shall be based upon the administrative costs of maintaining the brand program provided for in this chapter.~~ The secretary shall notify every owner of a brand of record at least thirty days prior to the date of the renewal period. If the owner of a brand of record does not ~~renew the brand and pay the renewal fee by July 1 of each year in which it within six months after it is due,~~ the owner shall forfeit the brand and the brand shall no longer be recorded. A forfeited brand shall not be issued to any other person for five years following date of forfeiture.

Sec. 22. **NEW SECTION.** 169A.13A **BRANDING ADMINISTRATION FUND.**

1. A branding administration fund is created in the state treasury under the control of the department. The fund is composed of moneys collected in fees as provided in this chapter, moneys appropriated by the general assembly, and moneys available to and obtained or accepted by the department from the United States or private sources for placement in the fund.

² According to enrolled Act; section 169A.4 probably intended

2. The fund is subject to warrants written by the director of revenue and finance, drawn upon the written requisition of the department.

3. Moneys in the fund are appropriated to the department for the exclusive purpose of supporting the administration of this chapter by the department.

4. The department may adopt rules pursuant to chapter 17A to administer this section.

5. Section 8.33 shall not apply to moneys in the fund. Notwithstanding section 12C.7, moneys earned as income, including as interest, from the fund shall remain in the fund until expended as provided in this section.

Sec. 23. Section 169A.12, Code 2001, is repealed.

DIVISION VI
EFFECTIVE DATE PROVISIONS

Sec. 24. Section 11 of this Act, providing for the appropriations of stormwater discharge permit fees, takes effect upon enactment.

Sec. 25. Section 17 of this Act, being deemed of immediate importance, takes effect upon enactment.

Approved May 25, 2001, with exceptions noted.

THOMAS J. VILSACK, *Governor*

Dear Mr. Secretary:

I hereby transmit House File 725, an Act relating to and making appropriations to the Iowa Department of Agriculture & Land Stewardship (DALS) and the Iowa Department of Natural Resources (DNR).

I reluctantly approve House File 725. This bill represents a 19 percent reduction in general fund appropriations to the DNR and DALS below their FY 2001 appropriation. Furthermore, the DNR receives a disproportionate cut amounting to a budget reduction six times that of the DALS. The result will be direct impacts to the services that Iowans have come to expect from both departments in protecting and enhancing our state's natural resources and in ensuring a healthy and vibrant agriculture industry in Iowa.

The Legislature has chosen to underfund our state parks to the point where some Iowans will no longer be able to enjoy the outdoor recreation this year that our parks have provided in the past. The Legislature's attempt at using the camping fee increase to keep all state parks open is unrealistic considering the Parks Division will still encounter a net shortfall of approximately \$500,000 even with the increase. The Legislature has similarly chosen to underfund the Leopold Center for Sustainable Agriculture in this bill. The Leopold Center is recognized nationally for its role in providing farmers the tools necessary to implement farming practices aimed at conserving natural resources and reducing negative impacts on agriculture thereby avoiding the need for regulation while maintaining profitability. The Legislature's action will result in a decrease in sustainable alternatives to environmental regulation available to Iowa farmers.

In addition, the Legislature has chosen to underfund the Environmental Protection Division of the DNR. At the same time, House File 725 requires the department to approve, deny, or delay consideration of a permit application based only on the merits of the application and not on staff availability. The cut to this division combined with the permitting requirement will

result in reductions in animal feeding operations inspections and a delay in the department's response to complaints. The impact will be that Iowans must put up with the smell and contamination of our rivers and lakes from livestock operations out of compliance for longer periods of time while the division staff is required by the Legislature to process paper.

I am greatly concerned about the number of bad budgeting practices the Legislature has included in House File 725. This bill includes the appropriation of \$913,606 in one-time funding sources to fund ongoing expenditures. For example, the Legislature appropriated \$250,000 from stormwater permit fees deposits to an ongoing water monitoring and well testing program. This is problematic in that Iowans rely on these ongoing water quality services that have only a single year's funding.

House File 725 is, therefore, approved on this date, with the following exceptions, which I hereby disapprove. I do not approve Section 9, subsection 1, paragraph a and the designated portions of Section 9, subsection 2. This item redirects \$100,000 from the groundwater protection fund to support the Leopold Center to the DALS for the operations of their pesticide program. These provisions take money from a program targeted at reducing the need for pesticides and transfer it to a program that provides training for pesticide applicators. While both are important programs to Iowa agriculture, research funding for one will reduce the demand for the other.

I do not approve Section 10. This item appropriates \$40,000 from the DNR forestry management and enhancement fund to the DALS to support the gypsy moth eradication program. This transfer of funds is not needed; however, the opportunity exists for the DNR to work cooperatively with the DALS on implementing this important program.

For the above reasons, I hereby respectfully approve House File 725 with the exceptions noted above.

Sincerely,
THOMAS J. VILSACK, *Governor*

CHAPTER 184

TOBACCO SETTLEMENT FUND APPROPRIATIONS

S.F. 537

AN ACT relating to and making appropriations from the tobacco settlement endowment fund and the healthy Iowans tobacco trust, establishing certain uses for the appropriations, and providing effective dates.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. **HEALTHY IOWANS TOBACCO TRUST — APPROPRIATIONS TO DEPARTMENTS.** There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the following departments for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To the department of human services:
 - a. Unless otherwise provided, to maintain the reimbursement rate for all noninstitutional